Social User Experience for Effective Mobile Advertising

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INTRODUCTION

As mobile-based applications and services are expanding, the need to take a human-centred approach in their design and adoption becomes ever more important. This article aims to provide an understanding of users from different countries and principles that support better design of user experience (UX) in the context of mobile advertising. Mobile advertising is projected to be a profitable opportunity in the coming years. According to the Paragon Report (2012), in the US alone, mobile advertising spending is expected to be more than quadruple by 2014 to $6.62 billion (from around $1.45 billion in 2011), yet user adoption has been consistently poor with mobile ads (50%) being more likely to cause users negative feeling than website ads (Emarketer, 2011). A key challenge with overcoming user resistance includes harnessing the complex interplay of five usability principles relative to mobile UX: context, relevance, permission, privacy and sociability. Moreover, mobile ecommerce underpins opportunities for effective social UX, with new services like Poynt making this possible. With the success of desktop social ecommerce (e.g. Groupon.com, Living Social), there is a need to determine the influence of cultural aspects of group vs individual buying triggers in mobile advertising scenarios. Specifically, we compare users’ attitudes in different cultural contexts (namely US, Greece, and China) assessing the role of user acceptance aspects and cultural elements of mobile advertising. The article’s main contribution is to determine the main factors that lead to user acceptance of mobile advertising, in particular towards local market design needs and social buying. Based on the findings, we identified key UX attributes that ultimately increase users’ intention to purchase products or services on mobile devices. The implications are discussed in the light of recent advances in the field of information science and technology to support innovative mobile UX design.

BACKGROUND

Mobile is the fastest growing segment on the online advertising market creating opportunities for life-enriching UX and value within this emerging marketplace (Chen & Hsieh, 2011). Mobile advertising is described as a form of advertising that is communicated to the consumer/target via a handset. This type of advertising is most commonly seen as a Mobile Web Banner (top of page), Mobile Web Poster (bottom of page), and full screen interstitial, which appears while a requested mobile web page is “loading” (Mobile Marketing Association, 2008), primarily in smartphones as well as Tablets. As mobile technology applications continue to increase, so do the number of mobile subscribers. With a penetration of 84 percent of mobile subscribers in the United States, with this percentage surging to 100 percent by 2013 (Kagan, 2007) and the latest
figures from Nielsen (2012) showing that between July 2011 and July 2012 smartphone penetration in the US jumped from 41% to 55% (and global smartphone penetration range from 10% to 15%), the mobile phone and network is promptly becoming a feasible marketing channel for marketers and advertisers. For users, this in practice means the provision of targeted, context-accurate, relevant and non-intrusive messages, which carefully manage the exposure of personal data towards the advertising industry. One of the greatest barriers to online mobile advertising is user resistance: at best, users perceive it as irrelevant and distractive and at worst they find it intrusive and an invasion of their privacy (Emarketer, 2011; Leontiadis et al., 2012). UX thus inevitably becomes a major issue that may contribute to make the mobile advertising experience so relevant, rewarding and entertaining where users will not just accept it but embrace it. Moreover, Emarketer reported (2011) on a new survey (by Yahoo and the Nielsen Company) that social media (43%) and mobile users (63%) hate ads the most. In addition, mobile ads are 50% more likely to cause users negative feelings than website ads.

**UX OF MOBILE ADVERTISING**

**Key Aspects of User Acceptance**

Despite the fact that marketers are looking for new advertising opportunities, it is not clear whether consumers are accepting mobile advertising in a positive light (Khalifa and Cheng, 2002; Wei et al., 2010; Carroll et al., 2007). Barnes and Scornavacca (2004) stated that user permission is one of the variables affecting mobile advertising effectiveness. Mobile users have said that they would accept mobile advertising provided that they had given prior consent (Barwise and Strong, 2002; Tsang et al., 2004; Bauer et al., 2005). Although technical and psychological aspects have been most commonly studied in mobile advertising literature (Davis, 1989; Khalifa and Cheng, 2002; Liu, 2002; Vatanparast & Asil, 2007; Yang, 2007; Venkatesh & Davis, 2000), one area that has been left unexplored is what leads to mobile users’ willingness to grant permission to accept and read mobile advertisements (e.g. Mehta, 2000; Tsang, 2004). Bauer et al. (2005) identified the influential variables affecting consumer behaviour as follows: 1) Privacy - the degree to which personal information is not known by others; 2) Purpose - the type of purpose the receiver is trying to satisfy by using a mobile device; and 3) Performance – response and attitude toward mobile advertising. Kotler (2000) furthermore argues that the following factors are critical regarding messaging in mobile advertising: 1) Content (relevant content is king in mobile advertising; content being informative and entertaining); 2) Credibility (consumer’s perception of the truthfulness and believability of advertising in general); and 3) Customization (mapping and satisfying of customer’s goal in specific context with a business’ goal in its respective context).

**Types of Mobile Advertising**

With the development of communication technology, coupled with the gradual increase in 4G and Long Term Evolution (LTE) mobile device penetration, mobile advertising will become the medium with the most potential business opportunities. There are many types of mobile advertising for different communication methods and advertising purposes, but the mobile advertisement methods mainly used fall into the categories of push and pull advertising (Zoller et al., 2001; Vashney, 2003; Tsang & Liang, 2004; Park et al., 2008) and recently friend-referral advertising promoted by Facebook. Similarly, Leppanen & Karjaluoto (2005) and Drossos et al. (2007) published studies on the factors influencing consumers to accept mobile advertising. Nasco & Bruner II (2007) discussed the influence of mobile advertising on consumer memory and perception. Merisavo et al. (2007) published a paper on the relationship between mobile advertising presentation style and consumers’ attitude. In the above research studies on mobile advertising, only Xu et al. (2008) refer to a portion of the individual attributes in the design of personalized mobile advertising applications. Varnali et al. (2012) recently examined consumer responses to SMS-based mobile advertising campaigns, with findings suggesting that individual differences are stronger determinants of responses in comparison to messages characteristics-prior permission and incentives.